VZCZCXRO2998 OO RUEHDE DE RUEHCG #0541/01 2411047 ZNY CCCCC ZZH O 291047Z AUG 07 FM AMCONSUL CHENNAI TO RUEHC/SECSTATE WASHDC IMMEDIATE 1173 INFO RUEHCG/ALL SOUTH AND CENTRAL ASIA COLLECTIVE IMMEDIATE RUEHAD/AMEMBASSY ABU DHABI IMMEDIATE 0100 RUEHMO/AMEMBASSY MOSCOW IMMEDIATE 0115 RUEHRH/AMEMBASSY RIYADH IMMEDIATE 0057 RUEHDE/AMCONSUL DUBAI IMMEDIATE 0100 RUEHJI/AMCONSUL JEDDAH IMMEDIATE 0254 RUEAIIA/CIA WASHDC IMMEDIATE RUEKDIA/DIA WASHDC IMMEDIATE RUEIDN/DNI WASHINGTON DC IMMEDIATE RHMFITT/HQ USCENTCOM MACDILL AFB FL IMMEDIATE RHHMUNA/HQ USPACOM HONOLULU HI IMMEDIATE RUEKJCS/JOINT STAFF WASHDC IMMEDIATE RUEILB/NCTC WASHINGTON DC IMMEDIATE RHEHNSC/NSC WASHDC IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 03 CHENNAI 000541

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NEW DELHI, MUMBAI, AND KOLKATA PASS TO RSO STATE PASS TO DS/IP/SCA AND DS/ITA

E.O. 12958: DECL: 08/29/2017
TAGS: ASEC IN KCRM KISL PGOV PREL PTER
SUBJECT: HYDERABAD TERROR GROUPS HAVE INTERNATIONAL LINKS
BUT DON'T TAKE ORDERS FROM PAKISTAN/BANGLADESH, SAYS STATE
INTEL CHIEF

REF: A. A) CHENNAI 530

- 1B. B) CHENNAI 525
- ¶C. C) CHENNAI 500 ¶D. D) CHENNAI 365
- ¶E. E) CHENNAI 363

Classified By: Consul General David Hopper for reasons 1.4 (B, D)

- 11. (C) SUMMARY: In a wide-ranging conversation only days before the August 25 bombings in Hyderabad, Andhra Pradesh's Police Intelligence Chief told post that his office closely monitors 40 to 50 Indian nationals in Hyderabad who have links to Islamic terrorist groups. He said many of these young men have traveled to Pakistan, Bangladesh, and Chechnya, usually transiting through the United Arab Emirates or Saudi Arabia, where they received training in terrorist methods. The Intelligence Chief stressed, however, that these young men are "small-time," and that they do not currently receive direction or coordination from abroad. END SUMMARY.
- (U) ANDHRA PRADESH INTEL CHIEF TALKS
  TERRORISM TWO DAYS BEFORE HYDERABAD BOMBINGS
- 12. (SBU) On August 25, bombs exploded at two separate locations in Hyderabad, the capital of the south Indian state of Andhra Pradesh (refs A and B). The two nearly simultaneous attacks killed 42 people and injured more than 160. No American citizens or other foreign nationals were killed in the attacks. Media reports quickly blamed the militant Islamic groups Harkat-ul-Jehadi Islami (HuJI) and Lashkar-e-Tayiba (LeT) for the attacks.
- 13. (C) On August 23, two days before the attacks, visiting political/economic officer met with K. Aravinda Rao, Additional Director General for Police Intelligence. Rao heads Andhra Pradesh's intelligence operation and spent almost an hour candidly discussing the state's efforts to combat Maoist (ref C) and Islamic terrorist groups. Rao

said that he is "confident" that the state has the Maoist threat contained. But he said he worries about the threat of Islamic terrorism because, unlike the Maoists who he described as a solely internal problem, Islamic terrorism has international implications.

- (C) "SMALL-TIME INDIAN BOYS" GO ABROAD FOR TERRORIST TRAINING BUT DON'T TAKE ORDERS FROM OUTSIDE
- 14. (C) Rao told us his officers closely monitor 40 to 50 "Indian boys" -- young Indian nationals -- who are associated with Islamic terrorist groups. He described them as "small-time" young men with minimal job prospects. Rao said with the exception of one or two engineers, they are generally uneducated. He said many are good at tinkering with their hands, noting that several of them work as cell-phone repairmen.
- 15. (C) Rao blamed the ideology of the Majlis-e-Ittehadul-Muslimeen (MIM), a Hyderabad-based political party, for creating an environment conducive to recruitment by Islamic terrorist groups of young people in Hyderabad's predominantly Muslim old city. But he said MIM's ideology, as well as the appeal of Islamic terrorist outfits, has waned as Hyderabad's economic prosperity has reached into the old city. He said that the average young Muslim is not interested in MIM or joining a terrorist group. (NOTE: In a meeting hours before the bombing, Assaduddin Owaisi, the MIM's sole Member of Parliament, agreed with Rao's contention that Hyderabad's economic growth is benefiting the city's Muslims. He, of course, did not think that economic prosperity reduced the appeal of his party, which

CHENNAI 00000541 002 OF 003

gained notoriety recently for publicly physically attacking Bangladeshi writer Taslima Nasreen at an event in Hyderabad, triggering liberal condemnation across India. END NOTE.)

16. (C) Rao said many of these young Indian nationals have traveled to Pakistan, Bangladesh, and Chechnya, usually transiting through the United Arab Emirates or Saudi Arabia, where they received training in terrorist methods. He said that at any given time as many as half of them are out of the country, including the HuJI operative Mohammed Abdul Sahed (aka Bilal) whom Rao said was responsible for the May 18 bombing of Hyderabad's historic mosque, Mecca Masjid (refs D and E). (NOTE: Media reports have said Bilal is also responsible for the August 25 bombings. END NOTE.) But when we asked Rao if the young men receive orders from overseas, he emphatically said that they do not take "direction" or "coordination" from the outside. Rao went on to say that these terrorists do not receive funds from overseas, taking particular pains to say that the terrorist groups in Hyderabad are not using the informal money transfer system traditionally used in the Islamic world known as "hawala." (COMMENT: The day after the bombings, Rao reversed course, telling our Regional Security Office that the Hyderabad bombings were directed from abroad by HuJI or LeT. This change was likely due to the fact

that Rao's political superiors, including the state's Chief Minister, had publicly blamed outside forces for the bombings. Rao's candid August 23 comments, unaffected by the politics of the August 25 bombings, are likely more reflective of his own views. END COMMENT.)

(C) HYDERABAD-BASED TERRORISTS ONLY CAPABLE OF ATTACKS ON SOFT TARGETS

 $\P$ 7. (C) When we asked about the capabilities of the Hyderabad-based terrorists, Rao said they would be unable to conduct attacks on locations that have reasonably good security. He said due to their limited capabilities, the

terrorists in Hyderabad would not be able to attack U.S. and multinational businesses, or the future U.S. Consulate in Hyderabad. Rao said, quite presciently, that his concern was with attacks on soft targets such as parades, places of worship, shopping areas, and other public gathering places.

- (C) TERRORISTS USING SATELLITE PHONES; CENTRAL GOVERNMENT IGNORES STATE'S REQUEST FOR TRACKING TECHNOLOGY
- 18. (C) Rao said he believes that at least a couple of the Hyderabad-based terrorists use Thuraya satellite phones to evade detection. Rao asked us whether we could help him identify vendors or institutions who could help Andhra Pradesh track such communications. When we asked why he needed the United States to assist, Rao said he had approached the Indian central government's Intelligence Bureau on a number of occasions but that his requests had gone ignored. He expressed frustration with lack of support from the central government, saying that the ability to track satellite phone communications would advance the state's efforts to combat terrorism.
- 19. (C) COMMENT: Rao, a twenty-year police veteran who previously served as a senior officer in the Hyderabad police department, came across as serious, yet realistic, about fighting Islamic terrorism. The frustration Rao expressed over poor cooperation between the state and central governments spilled into the media in the days following the bombings. Statements in the media, attributed to unnamed central government officials, said

CHENNAI 00000541 003 OF 003

the state police ignored warnings of an imminent terror strike issued by the center's Intelligence Bureau just five days before the bombings. Unnamed state police officials responded saying the Intelligence Bureau's warning was "too vague" and not "an actionable intelligence input."

110. (C) COMMENT CONTINUED. Rao cautioned against looking at the Hyderabad-based terrorists as evidence of radicalization of India's Muslim community, noting that only a handful of the city's millions of Muslims have gone the route of terrorism. His views regarding the international dimension to the threat merit attention, particularly his belief that although the Hyderabad-based terrorists have gone abroad for training they do not take direction from overseas. His sober August 23 assessment directly contradicts the post-bombing allegations in the media and by government officials (including his own August 26 statement to our RSO) that the attacks were orchestrated by LeT in Pakistan or HuJI in Bangladesh. To date, neither state or central government officials have come forward with evidence demonstrating that LeT or HuJI ordered the attacks from abroad. END COMMENT.